

## **0610.01 Contracting and Conducting a Post Award Conference (Kick Off Meeting) – *Post-Award***

Issued October 31, 2007

**SUBJECT:** Contracting and Conducting a Post Award Conference (Kick Off Meeting) – Post-Award

**APPLICATION:** Executive branch departments and sub units.

**PURPOSE:** To outline the process for establishing contracts or purchase orders, and conducting post award conferences (kick-off meetings). To provide guidelines for conducting a meeting with vendors after the award of a contract to ensure that there is a mutual understanding of the terms, conditions, and requirements among all parties who are responsible for the management and performance of the contract.

**CONTACT AGENCY:** Department of Management and Budget (DMB)  
Business Services Administration  
Purchasing Operations (PurchOps)

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**SUMMARY:** These procedures apply to the establishment and execution of contracts or purchase orders. These contracts or purchase orders are established for the purchase of commodities, general and professional services and information technology products and services for the State of Michigan. These procedures are mandatory for executive branch departments unless specifically provided otherwise by statute.

Executive branch departments and sub-units shall: (a) assure that their contractual arrangements meet standards set by Purchasing Operations, as approved by the Department of the Attorney General; (b) manage their contracts in a manner that is fiscally responsible; and (c) assure that vendors meet contractual obligations. Agencies also shall provide information concerning contract implementation and monitoring to the Department of Management and Budget, Purchasing Operations at such times and in such forms as the Director shall require.

A post award conference (kick-off) should be held if it is determined by the DMB Contract Administrator, or buyer that it is warranted due to the complexity, dollar value, or other significant risk factors associated with the contract. The post award conference brings together all of the parties who are responsible for the management and performance of the contract within the State of Michigan and the vendor's organization. The overall objective is to ensure that the performance of the contract is efficient and that the State receives the expected quality and value of the commodities or services that are delivered.

APPLICABLE FORMS AND PROCESSES: Signed State of Michigan Contract (Articles 1-3 and Appendices)  
 Contract Kick-Off Conference Agenda  
 Contract Kick-Off Conference Record  
 Contract Kick-Off Conference Waiver  
 MAIN Electronic Documents & Processes:

- Purchase Order (PO) (PCHL2340 or 2360)
- Blanket Purchase Order-BPO (PCHL2342)

DMB PurchOps Procedures & Policy Letters:

- Signature Authority Letter
- PurchOps Internal Procedures for Contract Kick-Off Conferences

Procurement documentation:

- Signed State of Michigan Contract (Articles 1-3 and Appendices)
- Contract Folder Tabs 1-6

APPROVALS: Agency & PurchOps: Internal and external approvals must be obtained and documented according to agency policies and procedures, including provisions surrounding signature authority.

#### PROCEDURES:

##### Agency:

- Must follow their department's procurement policies and procedures, recognizing that the policies and procedures of the delegating authority supersede those of the department in the event of a conflict.
- Designates a Contract Compliance Inspector (CCI) for the contract. A CCI should be identified as early as possible in the procurement process. The CCI should participate in the development of the Statement of Work, if possible, and attend key meetings during the pre-award phase of the procurement process.
- If the procurement lies within the department's delegated authority, upon receiving final approval from the State Administrative Board if applicable, obtains signatures for contract or purchase order according to policy including signature authority, and posts the PO or BPO within MAIN.
- Participates in the contract kick-off conference planning session.
- Participates in the contract kick-off conference itself to address agency specific expectations, roles and responsibilities, including those of the designated contract compliance inspector.

##### PurchOps:

- PurchOps contract administrator makes the determination in consultation with agency buyer and CCI, whether a contract kick-off conference will be held. The decision to conduct a contract kick-off conference should be made as early in the procurement process as possible to enable those individuals who will be responsible for administering the contract after it is awarded to participate in the development of the contract award to the fullest extent possible.  
 Factors to be considered for determining the need for a conference include:
  - Type of contract, dollar value, and its importance to the State of Michigan
  - Level and type of potential risks to the State if contract management and/or vendor performance are inadequate
  - Contract complexity or uniqueness of requirements
  - Urgency of delivery of commodities or services
  - Prior experience of the contractor(s) in performing similar contracts for the State
  - Duration of the contract
- PurchOps contract administrator completes a contract kick-off conference Waiver if the contract is not complex, is low risk, or is of low-dollar value and has been determined not to require a kick-off conference. The PurchOps contract administrator shall document the reason(s) for not conducting the conference (Kick-Off Conference Waiver), sign it, and distribute it to the DMB

Chief Procurement Officer (or designee and the State agency buyer. A copy shall be retained in the DMB PurchOps contract file.

- Upon receiving “Approved” stamped bid tab from the State Administrative Board PurchOps buyer obtains signatures for contract already signed by the vendor, from state representative authorized to sign based on dollar amount and purchase type, according to policy and Signature Authority Letter.
- Completes the PO and posts within MAIN, or posts the BPO within MAIN.
- Kick-Off Conference Planning: the PurchOps contract administrator shall call a meeting prior to the kick-off conference to bring together all of the State of Michigan employees who will be involved with the administration, management, and monitoring of the performance of the contract.
  - The purpose of the meeting is to review the contract; clarify terms and conditions; identify unique administrative or performance requirements; determine key milestones; review invoicing and payment procedures; and discuss potential issues and concur on what will be the State’s official position on those issues. The meeting participants will discuss potential performance measures that can be used to support the vendor performance evaluation.
  - The planning meeting will also be used to determine the date, time, and location of the kick-off conference; the agenda; who will be responsible for notifying the vendor(s) and taking the minutes during the conference; as well as clarification of the roles and responsibilities of all State employees associated with the management and performance of the contract, including the contract compliance inspector. Any accommodation arrangements necessary for attendees with disabilities should be addressed and resolved during this planning session as well.
- The kick-off conference will be chaired by PurchOps contract administrator and held within 30 days after the contract is awarded.
- Conducting the kick-off conference: the agenda for the conference may include the following items for discussion:
  - Introduction of the conference participants and their roles and responsibilities
  - Review and clarification of the key contract terms and specifications
  - Critical milestones and key deliverables
  - Vendor’s reporting requirements
  - Procedures for monitoring, measuring, and reporting progress
  - Billing, invoice approval, and payment procedures
  - Issue resolution process
  - Contract change procedure
  - Review of the vendor performance evaluation process
  - Logistics, security badges, system access, organization chart, phone list

***It should be emphasized that the kick-off conference is not the venue for making changes to the terms or conditions of the contract.***

During the conference it should be clearly stated that only the PurchOps contract administrator has the authority to take any action on behalf of the State of Michigan regarding requested changes to:

- Terms or conditions of the contract
- Price, cost, or fees
- Quantity or quality of commodities and services
- Delivery schedule
- Key vendor personnel performing under the contract
- Or to issue stop work orders

The conference minutes should document any unresolved or open issues; who is responsible for following-up on each item; and the date they will report back to the PurchOps contract administrator and the vendor(s).

- PurchOps contract administrator is responsible for reviewing and approving the conference minutes before distribution to all conference participants. The minutes shall be retained in the DMB PurchOps contract folder.

AUTHORITY: Relevant Acts:

- Public Act 2 of 1921, as amended.
- Michigan Constitution of 1963, Article V, ' 8.
- Revised Statutes 1846, c. 12, as amended.
- Executive Directive 1991-5
- Public Act 431, of 1984 as amended (Governing Authority) w/ accompanying Agency Memorandums of Understanding (MOU)
- Public Act 112 of 1988 (Persons with Disabilities)

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